

the 1 million Americans who are at the lowest level of the economic ladder.

These men and women are the ones working as aides for schoolteachers in our schools. They are working in nursing homes taking care of millions of our senior citizens in those conditions. These are the people who clean out the buildings at night so American businesses can continue to function effectively over the course of this extraordinary expansion. But as we see this extraordinary expansion in terms of our American economy, the group that has not benefited is the one at the lowest end of the economic ladder. These are men and women playing by the rules and working hard. They have not been able to see the appropriate kind of increases in the minimum wage.

If the minimum wage today were to have the same purchasing power it had in 1968, it would be \$7.50 an hour. This whole group of Americans have not only not participated in the expansion of the American economy, they have fallen further and further behind.

That is why we believe we ought to have an opportunity to address this issue on the floor of the Senate, and do it in a timely way.

There are questions about what the Senate is doing and how busy the Senate is. We are prepared to have a very short time limit. Every Member of this body knows what this issue is about. I think every Member of this body has voted effectively on the question of the minimum wage over a period of time. It is a rather simple, basic, and fundamental issue. It is an issue of fairness to millions of Americans. It is an issue involving women because close to 70 percent of all of the minimum-wage workers are women. It is an issue of civil rights because the majority of the workers who get the minimum wage are men and women of color. It is a children's issue because the majority of women who are receiving the minimum wage have children.

This has enormous implications in terms of how these children are going to grow up, what kind of home they are going to be in, and how much time their parents are going to have in terms of spending quality time with these children when they are working one or two, and in some instances three different minimum-wage jobs.

It is ultimately and finally a fairness issue where the overwhelming majority of Americans believe, and believe very strongly, I think, that men and women who work 40 hours a week for 52 weeks a year ought not live in poverty in the United States of America.

That is what this issue is basically all about, and we in the Senate are being denied the opportunity to vote on that issue. That is what is offensive.

This body was prepared to vote on a pay increase of \$4,600 to be implemented immediately. They were prepared to go ahead on that. They are not

prepared to delay that. But when you talk about a \$150 increase in the minimum wage, they want to spread it over 3 years.

This is an issue of fairness. People ought to have accountability. When Members go to the polls, people in their congressional and senatorial districts ought to know how they stand on this issue of fairness. We are being denied that opportunity by a majority in the Senate. That is wrong.

Anyone who believes we are not going to continue after this issue doesn't understand the rules of the Senate. We are going to be voting on a 2-year increase in the minimum wage. We are going to be voting on it soon, and we are going to be voting on it again and again and again. So get used to it because you are going to vote on it. You will be able to go back and say: Oh, yes. I voted one time to increase it for 3 years. Yes; I voted against it 15 times for 2 years. And for all those in small business, I voted for a \$73 billion tax break, unpaid for.

The House bill was \$123 billion. We don't want to hear from that side of the aisle about fiscal responsibility anymore—\$73 billion at the drop of a hat and \$123 billion over in the House of Representatives and 90 percent of it goes to the top 5 percent of the American taxpayers. Isn't that interesting?

We are trying to get a 50-cent increase for the lowest paid Americans—tax break; 90 percent of it goes to the highest paid. We are not going to permit Members of the Senate to vote. We have a majority. We are not going to permit a majority of the Senate to vote on whether we are going to have a very simple concept of 50 cents this year—50 cents. No; we are going to take our \$4,600 and put it in our pockets and walk out of here. For every single year of that, an increase in the minimum wage is being delayed.

Do you think they are going to forget that? The other side thinks it is going to go away. It isn't going to go away. No matter how many times these little proposals are going to come up in terms of consent agreements, no matter how many times you are going to try to close out opportunities to bring this up, no matter how many times you go through the parliamentary gymnastics on this kind of issue, it is coming back again and again and again. So get used to it because you are going to get it. You are going to vote on it. Americans are going to know who is going to stand for fairness and decency and who is opposed to it and blocked it. I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I ask unanimous consent to be recognized in recognition of the fact that very shortly we may have an agreement on the crop insurance risk management debate. At the suggestion of the leader-

ship, I would like to initiate debate on the subject, and perhaps we can move along expeditiously in the event we finally have a parliamentary structure in which to work.

#### AGRICULTURE RISK MANAGEMENT ASSISTANCE

Mr. LUGAR. Mr. President, today we will debate a matter of special significance and timeliness to agriculture producers throughout the United States, and that is the subject of risk management legislation.

During many full committee hearings, a public roundtable and hundreds of hours of research and public discussion spanning the past year, members of the Senate Agriculture Committee have engaged in active deliberation, considering a host of options in providing risk management assistance to our Nation's farmers.

The task has been formidable. Variances in agriculture production, regional considerations of weather patterns, and different perspectives on farm management have contributed to a most complex and yet beneficial discussion.

The foundation of our efforts was section 204 of the Concurrent Resolution on the Budget for fiscal year 2000. Six billion dollars was provided over a 4-year period commencing October 1, 2000 for agricultural risk management. The basic rationale was that farm producers could take action to minimize risk, including severe market price fluctuations, and therefore render emergency recovery legislation less necessary.

My colleagues Senator GRASSLEY and Senator CONRAD played a major role in the Budget Committee's action on risk management and have advocated crop insurance legislation offered by Senator ROBERTS and Senator KERREY that would increase Federal subsidies for crop insurance premium payments to make Federal crop and revenue insurance policies more affordable for farmers, particularly at the higher levels of coverage.

In recent months, I suggested that risk management strategy involves more than crop insurance. Cash-forward contracts, hedging contracts, reduction of farm debt, diversification of crops, conservation, and substantial capital land improvements are important risk management tools also available to farmers, and hopefully will be utilized by farmers.

As a result of our extended debate on risk management matters in the Senate Agriculture Committee, more producers are aware or at least reminded of the risk management tools available to them. I am grateful for the support so many have shown to my initiative.

Nevertheless, on March 2 of this year the Senate Agriculture Committee

acted and approved legislation, principally the legislation offered by Senators ROBERTS and KERREY, that over the next 4 years recommends \$6 billion for improving and strengthening the Federal Crop Insurance Program, beginning with the 2001 crop. Included in the bill is a pilot program providing \$500 million in direct risk management assistance to farmers who choose to forego crop insurance subsidies in a particular year.

A producer would receive a risk management payment for utilizing 2 out of 12 risk management options. The legislation also raises premium subsidies to make Federal crop and revenue insurance policies more affordable for farmers, particularly at the higher levels of coverage. The bill eases actual production history so that farmer insurance coverage is less likely to be artificially suppressed by successive years of bad weather; encourages the development of insurance coverage for specialty crops and revenue insurance on a whole farm rather than a commodity-by-commodity basis; it eliminates requirements of the area-wide loss before disaster payments can be made to producers of currently noninsurable crops; and it reduces the potential for insurance fraud and abuse with strong program compliance provisions.

In my judgment, it is very important that the Senate act favorably and promptly on this legislation. It will provide an important safety net component for agricultural producers.

Let me mention a practical example of how crop insurance works in my own situation. There may be others in this body who have been purchasers of crop insurance on their farm. The Senator from Iowa, Mr. GRASSLEY, comes to mind. I have utilized crop insurance on my farm. Let me suggest to the Chair the crop insurance that is now available to farmers may insure the yield; that is, take a look at your farm and try to make certain that the yield you believe you would normally get is going to be there through insurance, or at least as great a percentage of that as possible you can insure, and for a premium price you can insure that yield. Or farmers can insure the revenue that might come from yield and price and take out a policy that might cover that situation. Farmers can do both—yield and revenue.

There have been in the past catastrophic insurance policies. They contemplated the loss of over half of the crop. A while back, such insurance was required. The requirement was relieved by the farm bill of 1996. This is available to farmers to guarantee income to them, regardless of the weather or other hazards that might come from nature; likewise, hazards that might come from loss of exports as it affects the revenue that comes from that farm.

To take a very practical example, last Friday I was in a situation where

I was able to make a sale of 2,000 bushels of corn from my farm to a grain elevator in Indiana. A commonsense person would ask: But you haven't planted the crop yet; where did you get the corn to make a forward contract, a promise, to deliver 2,000 bushels of corn? I promised to deliver that corn in March of 2001, and I will receive \$2.57 a bushel for that corn.

For me, that was a significant contract. That may not be the top of the market, but I point out that in our debates on agricultural pricing last year, the Chair will recall some debaters pointed out that the price of corn had fallen to \$1.70 a bushel. Many pointed out that effectively there was a floor through the loan deficiency payment of about \$1.96 for corn farmers throughout the country. That was the minimum price for corn in most sections of our country. The current cash price for corn in some elevators around the country is somewhere between \$2.10 to \$2.15, as of March, if you are going to deliver.

I mention this to give some benchmarks. Mr. President, \$2.57 is obviously much higher than the floor of \$1.96 which would still prevail in the current crop we are speaking about, much higher than the current cash price. That is, obviously, far higher than journalistic accounts of how far the price of corn fell last year.

I was able to make that sale because I have crop insurance. Last year, I took out a 65-percent CRC policy, a crop revenue coverage policy. That particular policy means, in essence, I can take a look at the number of acres I want to plant, the average yield from those acres on my farm. The crop insurance people then take a look at the price of corn in the December futures as reflected for a period of 30 days; they take a look at what happened in the past. In essence, I am guaranteed at least that if I want to I can sell my crop in advance and take bold maneuvers with regard to marketing.

That is one of the major purposes of crop insurance. What I have described is a fairly simple device used by most farmers; namely, a forward contract, based upon the fact you have something to sell and based upon the fact the price for corn goes up and down. You can look at futures markets. You can look at the trends and make sales. You are not left to wait for the elevator price at the time the corn comes in. An abundant harvest sometimes puts corn and other grains on the ground because elevators cannot handle it or railway cars cannot take it away.

I mention this because crop insurance is obviously an extremely vital part not only of a safety net to make sure farmers are going to have a substantial amount of income but as a part of marketing strategy. As a part of this debate, we have talked about marketing strategies because they are

going to be required for most farmers in America to make a profit and to do well enough to support their families. It will not work for farmers to plant, as they always have planted, whatever does well on their land, and to hope that the price will be high at the time of harvest. As a rule, price is low at the time of harvest. Unless there is a marketing strategy, farmers do not maximize their income, and many are not doing very well.

This is a very important part of the 1996 farm bill legislation. As my colleague, Senator ROBERTS, has pointed out during his chairmanship of the House Agriculture Committee, this is a part of the picture that was never completely filled in. We have an opportunity to do that today.

The bill Senator ROBERTS, Senator KERREY, and their staffs have researched, and which I support, calls for higher possible percentages. I spoke of a 65-percent policy which I took out last year, but higher percentages are possible. Of course, that means higher premiums.

The bill before the Senate lessens those premiums to farmers by offering a much stronger subsidy. There is a certain inversion of the subsidies. By that I mean, if farmers reach out for more safety, farmers receive more support from this bill. The point is to try to persuade farmers to take seriously the safety net provided by crop insurance risk management tools. This bill goes a long way to offering those incentives.

Let me take, once again, a concrete example anecdotally from my own situation last year. The premium for my crop insurance on my corn crop was \$1,700, quoted by the crop insurance salesman out in Indiana. Ultimately, I paid about \$700-plus. The subsidy to the policy was about \$1,000. That is a very strong inducement to take crop insurance seriously.

In my home State of Indiana last year, approximately 44 percent of farmers did take crop insurance seriously, although many at much lower levels—some at simply the catastrophic level, at a very low premium. Therefore, even after we pass this legislation, which I hope we will do, and confer with the House—they have passed legislation that is very similar to this—and enact this so it comes into force prior to the fiscal year that begins the first of October, each one of us will have an obligation to visit with our farmers, to visit with the extension offices of our agricultural universities and others, to explain the possibilities that are there for risk management for a very large safety net provided in the farm bill and provided by the Budget Committee for these next 4 years.

This is an extraordinary opportunity. We owe it not only to the country to pass legislation, but we owe it to our farmers to make sure our advocacy

reaches a new level of information and education about very constructive legislation.

I yield the floor for my distinguished ranking member of the Agriculture Committee. In due course, I know Senator ROBERTS will want to be heard, and should be heard, and Senator KERREY, who have been largely responsible for fashioning portions of this bill.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the chairman for his leadership and graciousness on this bill and for working hard to get it out on the floor in a timely manner. I am hopeful that we can dispose of it fairly rapidly today and move on.

We are here considering passage of a crop insurance reform bill that we just reported out of the Agriculture Committee on March 2. It has been a long and difficult journey to get to this point, not the least because we had a lot of good ideas from Members of this body and of the committee. I think there were no fewer than six comprehensive bills introduced on this issue. I would like to think the bill we will have at the desk shortly incorporates the best provisions of each of them. I am sure our colleagues in the House are eager for us to finish our work on this because they passed their crop insurance bill last September. So hopefully we can get this passed and get to conference and get this thing wrapped up.

The bill we are going to have before us shortly, S. 2251, takes advantage of the opportunity offered by last year's budget resolution to apply \$6 billion to a reform of the Federal crop insurance system. This effort probably has taken on some added urgency recently due to the low commodity prices faced by our farmers. But I caution my colleagues not to place too much emphasis on the potential role of crop insurance in remedying those problems. When the last set of crop insurance reforms were passed in 1994, this program was complemented by a number of others which together comprised what was called the farm safety net. Much of the counter-cyclical element of that safety net was removed by Freedom to Farm, laying the foundation, I think, for some unreasonable expectations about the ability of crop insurance to offset the effects of an agricultural economy that went south. I do not mean geographically.

Aside from problems in the general farm economy, which crop insurance was never intended to deal with, the last few years have exposed other weaknesses in the program, which this bill does attempt to address. First of all, although the program currently covers about two-thirds of acreage for eligible crops, much of that coverage either represents catastrophic policies

or policies at the lower levels of buy-up coverage. This bill offers enhanced subsidies for the purpose of buying crop insurance. Under the current system, the percentage subsidy peaks at the 65/100 level, making farmers eat a 35-percent loss of crop value before they qualify for any relief. We want to encourage farmers to insure their crops at a higher level of buy-up, which we hope will have the effect of reducing the probability of future ad hoc disaster relief programs. We are also equalizing premium subsidies for revenue insurance coverage, which Iowa farmers have eagerly adopted. In 1999, Crop Revenue Coverage and other revenue products covered more than 60 percent of insured acres in my State of Iowa. I might add, the highest percentage in the country. The revenue insurance concept was one of the best things to come out of the 1994 reform, and I want to thank those at USDA and the private sector who did the hard work to make it available.

In addition, this bill includes provisions which fixes APH problems associated with multi-year natural disasters, makes the Noninsured Crop Disaster Assistance Program more attractive, and offers greater support and flexibility in conducting research and development of new crop insurance products, especially for specialty crops. On the administrative side, it strengthens oversight of the industry and penalties for noncompliance and fraud, clarifies reporting requirements, makes changes to the structure of the Board of Directors of the Federal Crop Insurance Corporation, and requires USDA to pay more attention to regions of the country where crop insurance is not viewed as an attractive option.

Chairman LUGAR offered a competing vision for addressing concerns about crop insurance and risk management for farmers. His approach was to encourage farmers to adopt a wide range of risk management practices, rather than focus just on crop insurance. In the spirit of compromise, this bill included a \$500 million risk management pilot within the substitute amendment offered and passed in committee, and I look forward to what USDA learns from implementing this program for 3 years, assuming it will be implemented into law.

I am pleased that the committee adopted an amendment I offered during markup which restores the conservation compliance requirement for crop insurance, which passed by voice vote. I do not believe it is unreasonable to treat crop insurance and risk management payments in the same way as we treat FSA loans, disaster payments or any other USDA benefits. For all those other benefits, farmers do have to comply with conservation programs. That is especially so considering that crop insurance is already a substantial USDA program, costing nearly \$2 bil-

lion a year. With this legislation, we will add about \$1.5 billion a year in additional spending for crop insurance and risk management programs. It seems only right that for some \$3.5 billion a year, we should be doing all we can to ensure the programs are also promoting conservation of our precious soil and water.

We also worked to strengthen the risk management program by adding resource management practices and organic farming as eligible options, and instructed the Risk Management Agency to view scientifically sound sustainable and organic farming practices as good farming practices.

All in all, I think this crop insurance bill is a good piece of legislation. I especially want to compliment my colleagues, Senator KERREY of Nebraska and Senator ROBERTS from Kansas, for their strong leadership in a bipartisan manner on this bill. I believe they have engineered and built a good bill, a bill that will help us in all parts of the country in those things I just spoke about—everything from specialty crops in one area to the big wheat and grain crops in other parts of the country—with the provisions in there that mandate that USDA is to find new ways of making crop insurance more attractive in those areas of the country that have low sign-up rates. Finally, I think the vision of both Senator ROBERTS and Senator KERREY in getting the subsidies for the buy-up—that really is the heart and soul of this bill to ensure that farmers will have a better deal when they buy up their risk coverage for their crops and their crop insurance programs.

It is a good bill. It deserves the support of the Senate. Hopefully, we can get it up, and hopefully get it through in due course yet today.

Mr. President, I yield the floor.

The PRESIDING OFFICER. (Mr. GREGG). The Senator from Kansas.

Mr. ROBERTS. Mr. President, as has been indicated by my colleagues, the distinguished chairman and ranking member of the Senate Agriculture Committee, we have before us—we do not have before us, but we would like to have before us S. 2251, entitled the "Risk Management for the 21st Century Act." It has been certainly aptly described by the distinguished chairman and Senator HARKIN.

This legislation is a slightly modified version of a bill by the same name; that is, S. 1580 which was introduced by Senator KERREY and myself last fall. It was supported by a large number of our colleagues.

Our farmers and ranchers have to deal with multiple threats of weather and pests and disease that few, if any, businesses must experience on a daily basis. As we all know, it can often be a very brutal up-and-down cycle, a real price roller coaster that our farmers and ranchers must face. To get through

these cycles, our producers must have crop insurance and risk management tools at work.

This bill represents a real personal effort on my part and that of my staff, as well as Senator KERREY and other colleagues.

But it was about 20 years ago that my predecessor in the House of Representatives, the Honorable Keith Sebelius, cast the deciding vote to create the Federal Crop Insurance Program. Since that time, it has been almost 20 years now we have gone through numerous reforms to get this right. This has been a personal commitment of mine for some time.

If you sit on the wagon and listen to farmers, regardless of which region they come from, or what commodity they are involved in, time and time again they have come to us and said it is time for major reforms in the program.

Two years ago, Senator KERREY and I agreed to work together on this issue. I said: BOB, do you think we can do this?

He said: Well, we don't have any other alternative but to try.

Tackling the national and comprehensive Crop Insurance Program has been—I don't know—sort of like pushing a rope. But we certainly agreed on the issue. We have been working on this legislation with able staff and with the help of the chairman and the distinguished ranking member. We have been working on this for nearly 18 months nonstop.

We began the effort in earnest when we gave every farm, commodity, lending, and insurance group the opportunity to provide their suggestions for improvements in the Crop Insurance Program. We asked everybody—we cast a wide net: How do you want to improve this?

The response to this call for comments was overwhelming. The comments we received certainly gave us a clear and common direction in which we needed to go in regard to this legislation.

Who am I talking about? If I could find the list here because we have a letter dated just a couple of days ago:

As organizations representing farm, lending, and insurance industries, we are writing to strongly urge that the Senate pass the recently reported Senate Agriculture Committee crop insurance risk management bill.

We have the American Association of Crop Insurers, the American Bankers Association. Don't forget, this is a lender's issue as well. This is an issue that affects the lending institutions. Many of them simply will not continue to go down the road on behalf of our producers without what they believe is reasonable crop insurance.

We have the American Farm Bureau Federation, the American Feed Industry Association, the American Nursery and Landscape Association—let me re-

peat that—the American Nursery and Landscape Association. Why am I saying that? Because that particular group represents, in many of the Northeastern States, the No. 1 major agriculture interest. I understand there is some concern on the part of those from the Northeastern part of our country that perhaps their needs have not been addressed to the extent that they believe would be commensurate with proper reform.

We have the American Soybean Association, the Crop Insurance Research Bureau, the Farm Credit Council, the Independent Community Bankers Association, the Independent Insurance Agents of America.

I do not mean to get too tedious, but this is a long list of everybody involved in agriculture who has come to the conclusion that this bill is a good bill and we should pass it.

We have the National Association of Wheat Growers, the National Barley Growers Association, the National Corn Growers Association, the National Farmers Union, the National Grain Sorghum Producers, the National Pork Producers Council, the National Sunflower Association, the National Association of Professional Insurance Agents, the Rural Community Insurance Services, the Society of the American Florists. If Members will vote for this, they will get a floral bouquet, as well as bouquets of credits from all these organizations.

We have the U.S. Canola Association. I could go on with other lists, but I think I have made my point.

These groups told us to do the following. This also represents all the producers from all regions of the country, every commodity group, that told us, No. 1, to make higher levels of coverage more affordable. We want to encourage our farmers and ranchers to buy up more crop insurance, certainly not less.

Second, to provide an equal subsidy for both yield and revenue insurance products. It is the revenue insurance product that may well be the foundation for the next farm bill. I am not saying that will be the case, but certainly that is an option. So to improve those products, it seems to me, is very important.

The chairman has gone over this in his remarks.

Third, to develop steps to address the problems associated with a lack of production history for a farmer that is just beginning and concerns that an adequate policy does not exist to address multiple years of disasters. How many times have we had a farmer come and testify before the committee and say: Look. I can't get any crop insurance. I have been hit. The Good Lord was not willing, and the creeks did rise or they didn't rise, and we got into all sorts of multiple disasters and I could not get the crop insurance.

Fourth, the creation of new and expanded crop insurance policies for specialty crops and improvement in what is called the Noninsured Assistance Program, which covers many specialty crops.

I am going to come back to that because when we put together this bill, Senator KERREY and I knew we had to reach out to every region of the country. We knew there was a lot of consternation and frustration on the part of Members who represented farmers from the Northeast and producers also from the South that the current Crop Insurance Program was not favorable to their interests, that it was discriminatory.

So we sat down with staff. I remember in one of the first meetings we had, why, Senator KERREY told me: PAT, we have to reach out to these groups. We have to cover the specialty crop producers, more especially, since the Northeast and the Eastern part of the country went through such tough times in regards to last year and the drought.

We have tried to do that. It seems to me to be a paradox of enormous irony that the very region of the country we are reaching out to, now we have distinguished Senators who are privileged to represent the farmers and the ranchers and the producers, the specialty crop folks from that part of the country, saying: Well, wait a minute. We're worried that this bill does not address our concerns. Address them? We reached out to them. This is the most favorable crop insurance reform, I won't say that could be imagined, but these are the very folks to whom we reached out.

Next the farmers told us: We want some increased emphasis in specialty crop policy research and development; use the good offices and the expertise and skill of the Department of Agriculture for pilot projects with regard to research and development for specialty crops, not only the program crops, the wheat, barley, corn, and feed grains, all of that, cotton and rice, but the specialty crop folks; they deserve that. And that is in the bill.

They asked for major changes in the Federal Crop Insurance Corporation's board of directors, more farmer input, if you will. That has certainly taken place.

They asked to streamline and remove the roadblocks in the product approval process. Somebody could come up with a new pilot project and it would lay around 6 months, 8 months, a year, and we couldn't get any approval. We have deadlines now to be approved.

We take some significant steps to address the fraud and abuse of the program. The chairman has pointed out that we don't want a situation where if you are going to reform crop insurance, you simply encourage people from challenged lands, if that is the proper

term for it, to farm the program, if you will. We have very strong language in regard to fraud and abuse. I cannot imagine any producer who, once they take a look at the penalties, would ever go down that road.

It is my hope the bill does all the things I have said and more. I have the rest of my statement here. I will not ask that it be put in the RECORD at this point because I would rather simply go into the details when we have the bill before us and have a time agreement. I hope we can get the time agreement.

Again, I think it is a paradox of enormous irony that when you reach out to certain sections of the country, you find yourself in a real quandary. You scratch your head and have a lot of frustration. You have some degree of concern that Senators from the very part of the country you have included in the major crop insurance reform—and by “included,” I mean asking those Senators and their staff to come to us and to provide some answers; they have done so, and we have put it in the bill. Now it seems that this is where the concern is coming from, and we are holding up the bill.

I can go into all of the provisions we have for specialty crops; i.e., the matter of concern with regard to folks in the Northeast. I will not do that. I am going to save that until we have some of the Senators on the floor to point out to them just what we have done. But there are four big ticket items, and additional items of interest, about 15 of them. I think it is very salutary to the concerns of producers in that area.

Both Senator HARKIN and the chairman of the committee, Senator LUGAR, indicated that this bill should be on the unanimous consent calendar. We had the debate in the committee. The chairman had a different approach in regard to a risk management approach. It was a very legitimate option. We have committed some funds to see if we can go forward with that kind of option step by step. But the majority of the bill pretty much mirrors what they have done in the House.

Now, how did the House do this? Did they have a big debate? Did regions of the country have some problems with this? No, the House of Representatives, in their infinite wisdom, passed this by unanimous consent.

With all due respect to my colleagues in the other body, a body in which I was privileged to serve, they have a lot of trouble deciding when to adjourn, let alone doing anything by unanimous consent. I hope they take that in the spirit in which I say those comments.

They passed it by unanimous consent. That means any one Member out of 435 could have stood up and objected. Nobody did that because they knew that this was on the agenda. We promised this 4 years ago, the editorial “we,” both Democrats and Republicans, when the new farm bill was

passed. Despite all of the criticisms we have heard in regard to the new farm bill—and this is not the time to get in to that discussion or debate—both Senator LUGAR and I held up the chart—certainly Senator LUGAR referred to it—which said, if you go to a more market oriented farm policy, these are the things you have to have with it to give the farmer the risk management tools to compete. It was supposed to be done 4 years ago after the 1994 reform.

We did not do that, “we” meaning the administration and leadership on both the Democrat and Republican side. We all bear part of that responsibility. There were honest differences of opinion. Sometimes things take a little longer. But if the House of Representatives can pass this by unanimous consent without one objection, what are we doing here holding up this bill, especially when we are reaching out to the very people who are raising the objections.

If Senators have some problems with this, please come down and talk to Senator KERREY and me and the distinguished chairman and Senator HARKIN. We think we have some very good answers for you. We think we have done what you want us to do. I don't know when enough is not enough, but it seems to me we ought to do that.

One of the biggest reasons why we should do this, you never know what the weather is going to do. You never know when a section of the country could be hard hit. We provide that assistance under disaster bills. Ours is not a disaster bill. It addresses some of the concerns farmers have in regard to going through disasters in that it gives them a risk management tool. They control that, along with their lender and their insurance company. They can better guard against the natural disasters that can happen. But everybody here knows what has happened when we have a disaster, more especially in the even-numbered years. When we have a disaster, it is a disaster to try to devise a disaster program that is fair and is equitable. That was a concern on the part of the Senators from the Northeast during the last disaster bill that was passed in the last year to provide assistance to hard-pressed farmers. They believe they were discriminated against. I think they have a point. But the proper way to address that is not on the crop insurance reform we have constructed to be in their best interest. That is a separate issue.

If we passed the crop insurance reform and the money is in the budget through the efforts of the good Senators mentioned by the distinguished chairman, we have \$6 billion there. It is not over budget. But if we have add-ons with different amendments, obviously we will be over budget. That is not the answer to this.

In addition, if you have the crop insurance risk management tools in

place, in my personal view, you are not going to have the tremendous need or the tremendous support for annual disaster bills. We got along for 2 years, I think, after passage of the farm bill, where we didn't have to spend \$1 for disasters. Obviously, we have a lot of folks who would predict that it doesn't happen every year. But if the farmer has the proper risk management tools, yes, it is going to cost some money, but it will save the taxpayer much more money in the long run rather than treating this on an annual basis in terms of disaster bills. This is in the best interest of the taxpayer.

I think I have pretty well made my point. I will save the rest of my statement when we do get agreement. I will say again that I hope we do get the agreement soon.

I wish to pay special credit to Senator KERREY and to his assistant, Bev Paul, along with a young man who assisted me in this effort, Mike Seyfert. They have worked day after day, hour after hour, back and forth between every commodity group, every farm organization, every Senator, every region. It has been tedious work. How many Senators will get a blind phone call from somebody trying to sell you insurance? I think probably insurance is not the most favorable topic about which to be talking. Crop insurance does tend to be a high glazer, as we can see by the lack of colleagues on the floor. So they have taken this rather tedious subject, this detailed and complex subject and have worked out a major reform.

Senator KERREY has done a splendid job. We have both, as I said before, tried to truly listen to our producers to come up with something we think will be the answer.

I think this is one of the major reforms in farm program policy. I thank Senator KERREY and the dedicated staff, both his and mine, and certainly the staff of Senator LUGAR. We have worked through a very difficult time. Well, now is the time. As I said, we ought to do it by unanimous consent. I hope we can get this thing done and we can work out the agreement. I know people are working overtime to get this done, but tempus and the weather fugit. That means we can't dilly-dally around with this.

I must say, given the considerations that it is an even numbered year and the amount of angst and frustration on the part of our farmers and ranchers, this has been promised for years. So the people who hold up this bill should know there is a groundswell of support for the bill, and there will also be, I suspect, a tad bit of criticism for the people who are holding it up. That is just a thought.

At this point, I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, I thank Chairman LUGAR. He has done great

work in allowing the process to come forward and allowing suggestions on how to improve crop insurance and make it more responsible. There has been some abuse of the program. Senator ROBERTS talked about it, and he has been a champion on that problem. We don't want a program that encourages people to farm for insurance rather than actually produce a crop. His suggestion to produce a program that gives people a variety of options that includes crop insurance, I think, is an improvement in the risk management offering to provide the farms and ranchers in the United States of America.

I also thank Senator LEAHY. I understand he spoke yesterday. In the Northeast, although there is only 2 percent of the farm land and 6 percent of the dollar value of crops produced on an annual basis, it is still important. There are farms in New Hampshire, Vermont, upstate New York, and New Jersey. They are concerned; they have expressed those concerns. We have taken their concerns into account. The House bill does not, I should point out to those from the Northeast. We have accommodated those concerns, unlike the House. You will see it if you look at the language of the legislation.

I thank Senator ROBERTS. It has been fun working with him. I think we have produced a piece of legislation that will provide producers with what they have been asking for, at least in Nebraska—the most important.

We have been blessed in the United States with a successful agriculture strategy over the last 100 years. But it has lulled us to sleep in many ways.

We are hoping to get an agreement on the bill. I ask my colleagues to take this opportunity to discuss agriculture in general. There are so many misconceptions about agriculture. It is seen as sort of an old policy. Agriculture is oftentimes seen as a special interest when, in fact, out of an \$8 trillion economy, agriculture still accounts for a trillion dollars of that. Nearly 1 out of 8 jobs—almost 20 million jobs—in the United States are there as a consequence of the food and fiber grown on the farms and ranches of the United States of America. It is quite a remarkable success story. We take it for granted too often.

In this morning's New York Times there is an article by an economist by the name of Paul Krugman, talking about an issue that is quite hot: genetically modified organisms. Mr. Krugman, quite accurately, said that many of the opponents of GMOs are people who don't understand that it is the application of technology that has not only made our food better but made it affordable and relatively easy to acquire. It is almost nothing if you want to order the food that you can't get in relatively short order as a consequence not just of the way we

produce food, but the way we distribute it, transport it, store it, and the way we process it. It is quite a remarkable success story and still accounts—even with declining sales internationally—for the most impressive part of our trade story. In fact, about the only good news right now in the trade story is we still have a slight surplus with agricultural exports. We tend as a consequence to take agriculture for granted and sort of see it as a marginal part of the economic debate.

Agricultural policy should be front and central to any economic strategy. Producing a trillion dollars in output and producing 20 million jobs is obviously significant to those of us who have portions of our economy dependent upon agriculture in our States, and it is obvious to us that it is a part of the new economy. The Senator from Indiana can talk eloquently about it because he still has an active farm. But you don't achieve success on a farm today without applying a significant amount of technology, without being a part of the new economy, without using computers, without being able to know exactly what your costs are, and without being able to know how to market and where the market is. There is almost nothing that is taken for granted today when it comes to production agriculture.

So it ought to be a central part of our economic strategy. I know we attempted not just to accommodate but to take into account the concerns of States that don't have as much agriculture but are still important, such as the Northeast, where, as I said, it is only 2 percent of the agricultural land in production and 6 percent of the total dollar output; it is still important for a lot of reasons, both economic and social. As we try to figure out our economic strategy, it ought not to end up on some shopping list down there with a list of 30 or 40 things that people want to get done.

The unfortunate part of agriculture is that there is considerably more risk. That is what this legislation does. I want to talk about that risk because I get asked about this in urban environments in Nebraska, such as Omaha, Lincoln, Hastings, or some other smaller communities. Oftentimes, they say: Why do we have a special program? Why do we do crop insurance at all? Why do we have a Government-private sector partnership to help farmers manage risk? What makes them special or different than us?

There is an answer that may not be readily apparent, although it is quite obvious to those of us who are from States where there is an awful lot of production agriculture. The answer is, unlike all other manufacturing businesses, agriculture is at risk to the weather. I am in business. I have restaurants and health clubs.

In 1975, on the 6th of May, at about 4 o'clock in the afternoon, a tornado

came up out of the Northwest. We had been in business a little over 2 years. The tornado blew us away; it completely destroyed our business. We had to start again from scratch. It happened in May, and we reopened 18 weeks later. We didn't even lose the 4 months sales we thought we were going to lose because we opened with greater volume. But if I am running DICK LUGAR's farm and a tornado comes through, it can take away not just 4 months' revenue but an entire year's revenue.

It is different. In my restaurant, I control the environment. I don't suffer declines as a consequence of drought, as we are currently experiencing in the State of Nebraska. I don't suffer as a consequence of all the different changes in the weather that can put the crop of a farmer or ranch unit at risk. So there is considerable risk, which is different than in other kinds of businesses. No other manufacturing business produces its product out of doors, and no other manufacturing business is at risk of losing an entire year's revenue as a result of too much water, too little water, rain, hail, and all the other sorts of things that can happen that cause a producer to lose an entire year's income.

In addition, very few businesses have the economic situation that agriculture does. That is to say, just a little more supply than what is necessary will cause prices to go down. It is just a slight more supply than is needed—if you produce, say, 15 or 20 percent more than what the market will absorb in a single year's time, the price will go down sharply. There is tremendous sensitivity to excess production.

In Mr. Krugman's excellent observation this morning in an op-ed piece in the New York Times, he said the very people who tend to oppose GMOs are the people who are least likely to be able to produce food on their own and who have benefited from the application of technology and the consequence of lower prices, greater quality, and greater accessibility to food. They have no difficulty getting food. They live in relatively wealthy nations, and they are not going to suffer as a consequence of not bringing the GMOs on line. It will be the poor, less developed nations that will suffer the consequence. It is easy for Prince Charles to oppose GMOs.

We find ourselves in a short supply-and-demand situation where consumers are basically saying: We don't want our farmers and ranchers to produce less than what we want. We don't want to be short of food. We don't want prices to go up too high. We have a policy—it is especially true with large processors—where processors not only want prices to be stable but prefer prices to be in the lower range, if possible. That is always good business. You try to keep your costs under control. If we

overproduce, the prices are always going to be on a downward pressure.

This legislation, the Risk Management for the 21st Century Act, allows the continuation of the development of products that are offered to farmers to manage the risks of price declines and revenue losses coming from changes in the market over which they have no control.

The Senator from North Dakota talked about currency fluctuations at great length when we discussed trade agreements and trying to get something in trade agreements that allow us to accommodate the sort of things that we saw after NAFTA with the peso decline. We found ourselves at a significant disadvantage as a consequence. These currency declines can have a tremendous impact on the earning ability of our farmers. It is a risk that the farmers of America have to manage.

In this new and improved crop insurance proposal, we will have an increased likelihood, in my view, that market-oriented products will enable a producer to manage the risk of loss of income due to unexpected and uncontrolled declines in their income associated with price declines. Also, those products will be developed and available to the market. Not only do we increase the subsidies and make it more likely that people will buy, but we also provide risk-minded options. We make changes in the existing crop program. Key among them is we restructure the risk management agency to make it more likely that products will be brought to market more quickly. It is more likely to be market-oriented as well.

My hope is that we can move this legislation—as Chairman LUGAR and Senator ROBERTS have indicated, and earlier Senator HARKIN spoke, and we could not have developed this piece of legislation without the distinguished ranking member as well—and pass a good, strong bill that is beneficial to all regions of the country so that it is more likely to come out of conference as a bill that is closer to what the Senate has. The House, as I said, does not have many of the provisions that the Northeastern Senators have been talking about. We did in ours. My hope is that we can pass this piece of legislation with a large influence and in a positive way for the conference.

The PRESIDING OFFICER. The Senator from Indiana.

#### UNANIMOUS CONSENT REQUEST

Mr. LUGAR. Mr. President, we have had an hour of general debate and discussion.

On behalf of the leader, I would now like to offer a unanimous consent request.

I ask unanimous consent that the Senate now proceed to Calendar No.

464, S. 2251, the crop insurance bill, and it be considered under the following time agreement:

One amendment to be offered by the managers limited to 10 minutes and not subject to second-degree amendments and no budget points of order be in order prior to the disposition of the managers' amendment, and for the purposes of complying with section 204 of H. Con. Res. 68, the bill, as amended by the managers' amendment, be considered as the committee-reported bill:

Two relevant first-degree amendments in order to be offered by the majority leader, or his designee;

Two relevant first-degree amendments in order to be offered by the minority leader, or his designee;

That those first-degree amendments be subject to relevant second-degree amendments;

That all amendments except where noted be limited to 30 minutes equally divided in the usual form;

That no motions to commit or recommit the bill be in order;

And following disposition of the above-described amendments and use or yielding back of debate time, the bill be advanced to third reading.

I further ask unanimous consent that following third reading of the bill, the Senate proceed to the House companion bill, H.R. 2559, and all after the enacting clause be stricken, the text of S. 2251, as amended, if amended, be inserted, the bill be advanced to third reading and passage occur all without any intervening action or debate.

I finally ask unanimous consent that following passage, the Senate insist on its amendment, request a conference with the House, the Chair be authorized to appoint conferees on the part of the Senate, and the Senate bill be placed back on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I object.

If I could just explain for a moment, we have been working closely with a number of our colleagues, I understand, on a bipartisan basis from the Northeast who want to be able to offer an amendment. I know at least in some cases they haven't had the opportunity to see the bill until yesterday. So they have asked for our indulgence in working with them to see if we can accommodate their needs. I have indicated a willingness to do that.

I noted to Senator LOTT just a few minutes ago that we are close to reaching a procedural arrangement whereby that could be done. I am hopeful that we will be able to get that agreement sometime shortly. I have no objection to proceeding to the bill. We could certainly do that.

Earlier, a suggestion was made and a unanimous consent request I think was offered which would allow us to go to the bill for general debate only. As I

understand it, that was objected to. But whether we go to the bill without an agreement or go to the bill and seek a unanimous consent that would allow for a general debate, either of those approaches would work.

I hope that by the end of the day we can get a unanimous consent agreement that would spell out in more detail, as perhaps the chairman has suggested, an amendment list. As I said, we are close. I certainly have no objection myself to moving forward, as he has suggested. I want to accommodate Senators who have been working in good faith to try to find a way in which to amend the bill, and they should be prepared to do that before the end of the day.

I will object at this time.

The PRESIDING OFFICER. Objection is heard.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

Mr. GORTON. Mr. President, I had hoped to come to the floor today in support of the long-awaited, long-anticipated crop insurance reform bill. My colleagues, Senators ROBERTS and KERREY, have toiled over this legislation, laboring to ensure that the risk management activities America's farmers will undertake are fair, affordable, and comprehensive.

Instead, I understand that a few of our Democratic colleagues have placed a hold on the bill, while ironically, an editorial in the Washington Post this morning decries the 1996 Freedom to Farm Act and the very legislation I had hoped would pass today.

Mr. President, nearly every major commodity group in the nation supports the Roberts/Kerrey bill and have, through the voices of their membership, called upon us to act. Instead of working to pass crop insurance legislation growers from across the country have been anxiously awaiting, we instead find ourselves once again defending the principles of freedom to farm.

To use America's farmers as a pawn in an election year political game, at a time when the agriculture economy is in a serious state of flux, in my opinion invalidates their plight. When we should be passing comprehensive, bipartisan legislation that enhances the safety net for American farmers, we instead find ourselves fighting to address a bill the farming community nearly overwhelmingly desires.

As of late, farmers in the Pacific Northwest have found themselves in this same game far too often. At the